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2. The standard of living at the end of 1955 must surpass the prewar standard of living, particularly in regard to per-capita consumption of consumers' goods and important industrial products.

3. The cultural level of the population must be raised during the five-year period. The education of the people must be further developed and progressive science, culture, and art must reach a very high level.

4. The people's health must be improved by greatly increasing the capacity of vacation places, by further organizing vacation trips, and by making sports facilities available.

5. The economic and cultural reconstruction of the German Democratic Republic is to be carried out with the aid of the USSR and its Satellite countries and without becoming indebted to any foreign country.

6. The fulfillment of the Five-Year Plan will be a blow to the Western Powers and will assure the unification of all of Germany to produce a united, democratic, and peaceful country.

Total production of all industries is to reach 43.8 billion Deutsche marks in 1955, compared with 23 million in 1950.

The production goals of individual branches of industry for 1955 are as follows (in percent of 1950 production):

Power plants	177
Mining industry	194
Metallurgical industry	237
Machine-building industry	221
Electrical industry	196
Precision instrument and optical industry	239
Chemical industry	182
Stone, earth, and ceramics industry	180
Wood-processing industry	118
Textile industry	201
Light industry	176
Cellulose and paper industry	149
Food industry	187

Production goals for products in 1955 are as follows (in percent of 1950 production):

Electric power	176
Raw brown coal	155

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Brown coal briquettes	249
Iron ore	465
Crude iron	373
Steel ingots	312
Rolled steel	299
Power plant machinery	284
Metallurgical plant equipment	136
Machine tools for cutting	347
Freight cars	250
Railroad passenger cars	273
Automobiles	250
Trucks	1,000
Tractors	222
Agricultural machinery	202
Potassium salts	160
Sulfuric acid	156
Caustic soda	170
Calcined soda	372
Gasoline	175
Cement	192
Woolen fabrics	308
Cotton fabrics	236
Underwear	300
Knitted goods	319
Leather shoes	262
Meat (slaughtered weight)	437
Animal fats	600
Oil	201
Butter	172
Fish	424

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Sugar	127
Spirits	166

Details on production goals to be reached by individual branches of industry in 1955 are as follows:

1. Power Plants

Power produced in 1955 is to amount to 177 percent of the 1950 output, or the equivalent of 1.4 billion Deutsche marks; production will amount to 31.6 billion kilowatt-hours. To reach this level, the present power capacity will have to be fully utilized and an additional 2,160 megawatts of capacity will have to be added.

2. Fuel and Mining

The yield of brown coal and potassium salts, and the production of briquettes must not only satisfy the domestic demand but must also insure the necessary quantities for export. The mining and production goals for 1955 will therefore be as follows (in million tons):

Brown coal	205
Black coal	4
Briquettes	56
Potassium salts (K_2O)	2
Iron ore	1.8

The total yield of the fuel and mining industry in 1955 is to amount to 194 percent of the 1950 total.

3. Iron and Steel

To reduce to a minimum the necessity of importing ferrous and nonferrous metals, production of the metallurgical industry must be more than doubled within the next 5 years and must reach the following output in 1955:

Pig iron	1.25 million tons
Steel ingots	3.0 " "
Rolled steel	2.2 " "
Rolled products of nonferrous metals	90,000 tons

Production of the metallurgical industry is to reach 1,250,000,000 Deutsche marks in 1955, or 237 percent of the 1950 output.

This makes it necessary to reconstruct five metallurgical plants and to build an additional metallurgical plant with an annual pig iron capacity of 500,000 tons. Also, an additional 400,000 tons per year of pig iron capacity must be made available.

Production capacities to be added to that metallurgical industry within the next 5 years must amount to (in tons):

Raw steel	1,800,000
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Rolled steel	1,800,000
Pig iron	900,000
Iron ore mining	1,500,000
Copper ore mining	900,000

4. Machine-Building

The gross production goal for 1955 is as follows:

Machine-building	8.1 billion Deutsche marks
Electrical equipment	2.25 " " "
Precision and optical instruments	930 million " "

Special emphasis must be placed on the production of large machine installations, machine tools, power equipment (steam turbines and boilers), rolling stock, trucks, passenger cars, and fishing and commercial vessels.

Production goals for 1955 are as follows:

	<u>Number</u>
Machine tools for cutting	30,000
Diesel aggregates	950
Freight and passenger cars	13,000
Trucks	24,000
Passenger cars	25,000
Tractors	12,000
Electric motors, up to 100 kw	235,000
Electric motors, over 100 kw	3,000
Fishing vessels	392
Agricultural machines valued at	162 million Deutsche marks

It is also necessary to build several ships of up to 8,000 gross tons during the five-year period.

To fulfill the Five-Year Plan, it is of utmost importance to reconstruct, enlarge, and bring to full capacity the following machine-building enterprises: Niles Plant, Chemnitz; Niles Plant, Berlin; Aschersleben Machine Tool Factory; Meuselwitz Machine Factory; Wanderer Plant, Chemnitz; Union Machine Factory, Gera.

The same is true for the following power equipment factories: Bergmann-Borsig, Berlin; Goerlitz Machine Factory; Meerane Steam Boiler Factory; Hohen-turm Steam Boiler Factory.

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The following metallurgical and mining equipment enterprises must be reconstructed, enlarged, and brought to full capacity: Wildau Heavy Machine Factory, Nordhausen Machine Factory, LEW Hennigsdorf.

The following steel construction and rolling stock enterprises must also be reconstructed, enlarged, and brought to full capacity: Eberswalde Crane Construction Plant; Gotha Railroad Car Factory; Stahlbau Steel Construction Plant Brandenburg; Stahlbau Steel Construction Plant, Leipzig.

Development in the precision and optical instrument field is especially important for export purposes.

5. Chemicals

The 1955 production goal is 6.6 billion Deutsche marks, or 182 percent of the 1950 and 304 percent of the 1936 production. In this field of industry it will be necessary to overcome the shortages of important chemicals, e.g., sulfuric acid, caustic soda, calcined soda, mineral fertilizers, etc., during the first years of the Five-Year Plan. Following are the production goals for 1955 for the most important chemicals:

	<u>1955 Goal</u> (tons)	<u>Percent of 1950</u>
Sulfuric acid (SO ₃)	400,000	156
Caustic soda (NaOH)	250,000	170
Calcined soda (Na ₂ CO ₃)	380,000	372
Nitrogenous fertilizer (in tons of nitrogen)	235,000	113
Phosphorus fertilizer	93,000	191
Synthetic rubber	60,000	159
Soap, 40%	100,000	277
Gasoline	780,000	175
Diesel fuel	475,000	119
Truck tires	900,000 tires	200

To reach the aforementioned goal, it is necessary to reconstruct, enlarge, and build new chemical plants.

The problem of producing sulfuric acid from domestic sources, e.g., from gypsum, must be solved during the Five-Year Plan. New methods of producing heat-resistant and other high-quality plastic products, lacquers, and high-viscosity lubricants must be developed and introduced in the industry. Also, new methods for producing chlorine derivatives must be developed. Problems of producing synthetic lubricants, detergents, and cleansing agents, as well as antibiotics (streptomycin, aureomycin, chloromycin, etc.), antituberculosis drugs, and other pharmaceuticals must be solved during the five-year period.

6. Building Materials

The production goal for 1955 is 1.6 billion Deutsche marks, or 180 percent of the 1950 production. The following production quotas have been fixed for the most important products of the industry:

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	<u>1955 Goal</u>	<u>Percent of 1950</u>
Cement	2,600,000 tons	192
Bricks	3 billion bricks	185
Roofing tiles	550 million tiles	218
Plate glass	16 million sq m	107

7. Textile and Light Industries

The production for 1955 is 7.1 billion Deutsche marks, or 190 percent of the 1950 production. Production goals for individual products are:

	<u>1955 Goal</u>	<u>Percent of 1950</u>
Yarn	240,000 tons	173
Fabrics	525 million sq m	200
Stockings and socks	230 million pair	198
Knitted goods	135 million pieces	303
Leather shoes	21 million pair	262
Cellulose fabrics	165,000 tons	163
Artificial silk	32,000 "	314
Synthetic fibers	126,000 "	154

Measures must be taken within the next 5 years to improve further the quality of products of the textile and light industries, especially in the production of synthetic fibers. Perlon production must be increased to 862 percent [of current production?] which will lead to a new phase in the qualitative development of textiles.

8. Foods

The goal for food production in 1955 is 7.1 billion Deutsche marks, or 187.5 percent of 1950 production.

Production goals for individual products are (in tons):

Meat (slaughtered weight)	924,000
Fish	212,000
Animal fats	245,000
Butter	100,000
Oil	88,000
Flour	1,900,000
Cereals	53,000
Sugar	888,000
Spirits	740,000

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To insure the increased production, two sugar factories, with a 50,000 ton annual capacity, must be reconstructed and two fish-processing plants, with a 170,000-ton annual capacity, must be built, as well as oil presses with an annual processing capacity of 250,000 tons of oilseeds.

Fulfillment of Reparation Deliveries

Industry's most important objective is the strict fulfillment of reparation deliveries to the USSR and to Poland, in accordance with the specified quantities types of products, and qualities.

Agriculture

1. The most important objective of agriculture is to increase the harvest yield and animal husbandry to a maximum in order to supply the population's needs from domestic sources.

The 1955 goal for basic crops is as follows (in tons):

		Percent of 1934-38 Yield
Grain and legumes	7,312,500	111
Oil and fiber plants	279,000	708
Sugar beets	6,804,000	125.7
Potatoes	17,000,000	125.4

The 1955 goal for animal products is as follows:

		Percent of 1938 Production
Meat and poultry (slaughtered weight)	1,357,000 tons	160.5
Milk	6,772,000 "	131
Eggs	1,980 million eggs	152.5

To assure the planned yield of agricultural and animal products, a capital investment of 1.4 billion Deutsche marks is to be made available for agriculture during the five-year period.

2. Total planting area is to be increased to 5,120,000 hectares by the end of 1955. In addition, by the end of the Five-Year Plan the average yield of agricultural products must be increased as follows:

	Planned Increase (in 100 kg/ha)
Grain and legumes	25
Oil plants	17
Sugar beets	315
Potatoes	200

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3. People-owned farms must be developed into exemplary, highly productive, mechanized enterprises. They must be responsible for producing high-quality seeds and breeding animals. Their objective is to reach the following yield increases by 1955:

	Planned Increase (in 100 kg/ha)
Grain and legumes	31
Oil plants	20
Sugar beets	345
Potatoes	220

4. To make it possible to reach the planned higher yields, the Five-Year Plan included the provision of mineral fertilizers for agricultural enterprises. The minimum quantities of mineral fertilizer to be made available to agriculture in 1955 are as follows (in tons):

Potassium salt (K_2O)	350,000
Nitrogenous fertilizer (N)	216,000
Phosphorus fertilizer	163,000
Calcined lime	700,000

5. The number of tractor rental stations is to be increased from 524 to 750 during the five-year period. The number of machines available in the tractor rental stations is to be increased during the same period as follows:

	From	To
Tractors	11,950	37,500
Tractor ploughs	14,090	38,500
Tractor cultivators	1,112	8,500
Tractor drills	975	7,000
Tractor combines	1,312	9,000
Tractor threshers	4,100	6,060

The work to be performed by the tractors has been fixed at 6,900,000 hectares of surface ploughing in 1955, which means that the average work to be performed per tractor is to be greatly increased.

6. Following are the planned production figures for animal husbandry:

	1950 (in 1,000 head)	1955	1955, in Percent of 1950
Horses	721	721	100
Cattle (total)	3,650	4,300	117.8
Cows	1,600	2,500	156.3
Pigs (total)	5,700	7,200	126.4

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	1950 (in 1,000 head)	1955	1955, in Percent of 1950
Sows (over 6 months old)	500	700	140.0
Sheep	1,240	1,800	145.2
Goats	1,600	880	55.0
Poultry	21,000	25,000	118.0

Average productivity per head of animal is to be increased as follows:

	1950 (in kilograms)	1955	1955, in Percent of 1950
Annual milk yield per cow	2,300	2,650	115.3
Slaughtered weight per pig	110	115	104.5
Slaughtered weight per head of cattle (exclud- ing calves)	210	250	119.0

Special emphasis must be placed on improving breeds.

7. Within the framework of the capital investment for agriculture, buildings must be built to house the 226 new machine rental stations; 83,000 hectares of land must be planted; irrigation facilities for 600,000 hectares must be reconstructed; and four reservoirs with a daily capacity of 558,000 cubic meters of water must be built during the 1951-1955 period.

8. Scientific research for raising agricultural production must be increased and the newest agrotechnical methods must be utilized.

9. The felling of trees must be reduced every year after 1950. A 300,000-hectare area must be reforested during the five-year period, with fast-growing trees if possible.

10. Machine rental stations and people-owned enterprises must give farmers more aid regarding technical matters and seeds. They must become the centers of agrotechnical, democratic, and cultural progress in the villages.

Transportation

1. The following increase in railroad and water freight is specified in the Five-Year Plan (in million ton-kilometers):

	1950	1955	1955, in Percent of 1950
Railroads	16,740	26,700	160
Inland waterways	1,400	1,960	140

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2. Average daily freight-car loadings are to reach 31,000 in 1955, or 157 percent of the 1950 car loadings. Turnaround time of the cars is to be shortened to 3.25 days in 1955, compared with 3.75 days in 1950.

3. Planned investments for the railroad amount to 1.1 billion Deutsche marks for the five-year period, and the rail network is to be increased by 750 kilometers. In addition, 2,300 kilometers of rail are to be replaced during a general overhaul. The rolling stock of the railroad is to be increased by 40,000 freight cars, 1,000 passenger cars, and 200 locomotives.

4. One of the most important tasks of the railroads in the Five-Year Plan is to reduce costs by 15.5 percent and to reduce fuel consumption by at least 16 percent.

5. The transportation capacity of the inland waterways must be increased, and increased shipbuilding for river and ocean-going vessels must be organized. The planned investment for inland water transportation and ocean traffic has been fixed at 220 million Deutsche marks for the 1951-1955 period.

6. Motor transport capacities must be increased to the maximum during the five-year period. Motor transport must relieve the railroad of short-haul traffic. Planned investments for motor transportation, road building, and bridgebuilding for the 1951-1955 period amount to 300 million Deutsche marks. During the Five-Year Plan, general repairs are to be made on 35 million square meters of road surface and on 140 kilometers of city thoroughfares; 23,000 meters of road bridges must be built or repaired; and the superhighways (Autobahnen) must be completed.

7. Loading and unloading must be facilitated by the use of up-to-date machinery.

Investments

1. Total investments planned for the Five-Year Plan period are 26,890,000,000 Deutsche marks. This sum will be divided among the individual branches of the economy as follows:

	<u>Million Deutsche Marks</u>
Industry	14,120
Transportation and communications	1,975
Agriculture	1,400
Trade and supply	300
Education and scientific institutes	675
Health, youth, and sports	900
Dwellings and community building	5,150

2. Special emphasis must be placed on reconstruction of and additions to power plants, fuel supplying enterprises, iron and steel works, steel and rolling mills, and machine-building plants.

3. Geological research must be carried out on a wide scale during the five-year period, mainly in exploring and exploiting deposits of iron ore, nonferrous metals, rare metals, petroleum, black and brown coal, raw materials for the chemical industry, and other valuable deposits. A sum of 239 million marks has been earmarked for carrying out geological research during the 1951-1955 period.

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4. The most important economic-political task of the Five-Year Plan is the reconstruction of towns destroyed in East Germany, mainly Berlin, but including such industrial centers as Dresden, Leipzig, Magdeburg, Chemnitz, Dessau, Rostock, Wismar, etc. For building dwellings and communal, social, and cultural buildings in 53 towns in East Germany, 4.16 billion Deutsche marks have been earmarked for the five-year period. Of this, the following towns will receive the following sums:

<u>Million Deutsche Marks</u>	
Berlin	1,890
Dresden	490
Magdeburg	238
Chemnitz	260
Dessau	60

During the 1951-1955 period, 9.5 million square meters of dwelling area must be rebuilt. Reconstruction of destroyed towns must be carried out strictly according to plans.

5. To secure capital for the investment plan, the necessary sums must be made available from the state budget and other financial institutions. The same holds true for granting credits to associations, private firms, apartment house owners, and new farmers.

6. By 1955, building costs must be at least 20 percent lower than in 1950. To achieve this, materials from destroyed buildings must be salvaged, light metals and concrete must be used in construction, and new construction methods must be adopted.

7. Planned expenses for general repairs during the five-year period in people-owned industrial enterprises, transportation, and communications amount to 2.5 billion Deutsche marks.

Scientific Research

1. Scientific research must be developed in all factories, educational institutions, and scientific institutes, to further the technical and scientific progress in all branches of the economy and to raise the standard of living of the people.

2. The state budget must make available 400 million Deutsche marks for scientific research and development, excluding geological research, during the 1951-1955 period, in addition to the amounts made available by people-owned industrial enterprises and people-owned farms.

3. Long-range research and development work in the field of the natural and sociological sciences, as well as in the technical field, is of great significance. This makes the following necessary:

- a. To increase the explorations for raw material deposits in East Germany (coal, petroleum, iron ore, etc.);
- b. To widen the scope of scientific research to improve the exploration of coal deposits and their exploitation;
- c. To improve metallurgical processes and the production of alloys, both steel and nonferrous metals;

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d. To further develop and utilize plastics; imitation leather, ceramic and glass building materials, etc.;

e. To utilize and further develop modern production methods;

f. To improve the synthesis of fats; to produce new and improved artificial fabrics; to improve the processes for high- and medium-pressure synthesis and for the coal products industry;

g. To produce new and improved pharmaceuticals, particularly for tuberculosis therapy and cancer; to further develop antibiotics and modern physiotherapy methods; and

h. To develop agricultural methods, particularly in regard to the working of the soil, production and use of fertilizers, growing of crops, animal husbandry, insect control, fodder conservation, and mechanization of agricultural equipment.

Special efforts must be made to draw on young scientists and technical experts.

Distribution of Labor

1. To avoid a shortage of workers in individual branches of industry, measures must be taken now to make available the necessary numbers of workers, technicians, and engineers, and to further mechanize production methods, especially in the coal- and ore-mining industry, so that production quotas can be met and the shortages of workers overcome.

2. The number of employed has been fixed at 7.6 million in 1955, or 113.3 percent of the number employed in 1950. Industry alone will employ 2.8 million, transportation 468,000, and construction 570,000. The total number of employed must be raised by 890,000 by 1955. Of these, 448,000 will go into industry, 230,000 into the construction field 25,000 into transportation, and 56,000 into commerce.

3. The increased need for workers makes it necessary to have a greater percentage of female workers. In 1955, women will account for 42 percent of the total number of employed, compared with 37 percent in 1950. The percentage in people-owned industry is to rise from 33.3 to 42 percent.

4. To have more qualified workers and technical experts available, the following number must be trained by 1955:

a. In trade schools, 964,200 apprentices for:

Industry	572,000
Construction	92,300
Transportation	59,900

b. In technical schools engineers and technicians for:

Industry	33,500
Construction	10,000
Transportation	10,000

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In secondary schools and in schools of higher learning, 122,000 qualified workers must be trained, including agronomists and teachers.

Increased Productivity and Lower Costs

1. In addition to adding new capacities, the productivity of workers must be raised in order to increase East Germany's industrial production. Productivity of workers in industry must be 60 percent higher in 1955 than in 1950; for workers in the construction field, the increase must be 55 percent.
2. Costs in the whole people-owned industry must be at least 23 percent lower in 1955 than in 1950, which will mean a saving of 5.3 billion Deutsche marks in 1955. The profitability of all branches of the people-owned economy must be increased.
3. To achieve higher productivity and lower costs, the following must be accomplished:
 - a. Activist and competitive movements must be increased, as well as the number of quality brigades.
 - b. Work must be better organized and the working time fully utilized
 - c. Piecework pay based on work standards must be extended to cover more workers.
 - d. Professional training must be carried out and the qualification of workers must be constantly increased.
 - e. Difficult work must be further mechanized and production processes further intensified.
 - f. New inventions, technical improvements, and suggestions for rational improvements must be utilized on a wider scope.
 - g. Material savings must be effected by less waste of materials, by a lower proportion of below-standard goods, by fixing standards of materials to be used, and by utilizing all technical possibilities which will result in saving materials.
 - h. Investments must be used correctly to overcome insufficient capacities.
 - i. Production conferences must take place, and new working methods worked out and fully utilized.
 - j. Production programs must be worked out, and the types of products to be made must be fixed.
 - k. The production apparatus must be modernized, and new enterprises built on a progressive technical basis.

Standard of Living, Wages, Taxes, National Income, Turnover of Goods, and Supply for the Population.

1. One of the most important objectives of the Five-Year Plan is to raise the standard of living of the population. The prewar standard of living must be regained, and then surpassed.

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2. The Five-Year Plan provides for an increase in the average wages of laborers, office workers, engineers, and technicians, to amount to 16.8 percent in the economy as a whole and to 20 percent in industry alone, compared with 1950 wages.

Considering both the increase number of employed and the increase in wages, a total of 25.8 billion Deutsche marks has been fixed as the total for wages in 1955.

3. Concurrently with the wage increases, prices of foods and articles of mass consumption will be lowered by at least 28 percent compared with average 1950 prices, and taxes for laborers, farmers, office workers, professional workers, and trade workers will be lowered.

4. Rationing of meat, fish, fat, milk, and eggs is to be fully lifted during the Five-Year Plan period, and free trade in all foods and industrial goods will be instituted at uniform prices.

5. Per-capita consumption of food and industrial goods is to increase greatly during the five-year period, and will reach the following levels (in percent of 1950 consumption):

Meat, meat products	315
Milk	420
Eggs	403
Fats	224
Fish, fish products	380
Fabrics	203
Leather shoes	333
Knitted garments (outer)	421
Knitted underwear	321
Soap	400

6. Turnover of retail goods has been fixed at 27 billion Deutsche marks for 1955 (lower prices taken into account), which is 171 percent of the 1950 turnover (at comparable prices).

7. The Five-Year Plan provides an annual national income of 49 billion Deutsche marks in 1955, or more than 160 percent of the 1950 national income.

Cultural Development

1. The Five-Year Plan must provide a higher cultural standard for both the urban and the rural population. Furthermore, strict measures must be taken to overcome culture and art trends which are reactionary and hostile to the people and which are being furthered by the cultural barbarism of the aggressive American imperialists. Opportunities for workers and farmers to pursue courses of study must be increased; the training of a new progressive intelligentsia must be assured; and the great experiences of the Soviet Union and peace-loving nations in providing a progressive culture must be made use of.

2. The state's allocation for the people's education and culture, including investments in this field, have been fixed at 8,650 million Deutsche marks in 1955, or 40 percent more than will be spent in this field in 1950.

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3. By 1955 the number of schools for general and professional education will be increased to 13,400. The number of students will decrease, because of the war years, in schools for general education (from 2,700,000 in 1950 to 2,100,000 in 1955), but will increase in professional schools from 845,000 to 964,200.

4. Opportunities must be increased for workers and farmers to pursue studies in schools of higher learning, and the number of students in workers' and farmers' faculties must be increased from 7,500 (1950) to 12,000 (1955). The number of auditor students at the People's Colleges must be increased from 200,000 to 240,000.

5. The number of college students will be raised from 27,700 (1950) to 55,000 (1955), and the number of colleges and universities will be increased from 19 to 26.

6. Training of teachers for schools of general education and for professional schools must be furthered. The number of teachers is to be increased from 80,300 in 1950 to 109,300 in 1955.

7. To improve preschool education and to provide a place for children of working mothers, the number of accommodations in state, communal, and industrial kindergartens must be increased from 238,000 (1950) to 402,000 (1955). At the same time, the number of counsellors in kindergartens must be increased from 15,700 to 26,600.

8. To raise the cultural level of the working population and to familiarize them with the best of German literature, art, and science, as well as with the progressive culture of the Soviet Union and other nations, cultural buildings must be erected on a broad basis, new theaters must be built and existing ones enlarged, and a great network of libraries must be established. Publication of scientific, educational, and aesthetic literature is to be doubled, and is to reach 40 million volumes in 1955.

9. Investments in the field of education and culture have been fixed at 600 million Deutsche marks for the 1951-1955 period. Reconstruction and new construction will provide 250,000 places in elementary schools, 154,000 in professional schools, 8,600 in colleges, 4,400 in children's boarding schools, 78,000 in kindergartens, and 4,100 in theatrical schools.

Health and Social Institutions

1. To raise the health level of the population during the Five-Year Plan period, it is necessary to increase health measures, carry out preventive measures on an increased scale, and assure good medical treatment. Existing hospitals and special clinics must be enlarged and modernized, equipped with the most modern medical apparatus, and staffed with qualified medical personnel.

2. The state's allocation for health measures, including investments, has been fixed at 2,970,000,000 Deutsche marks for the 1951-1955 period. The 1955 expenditures are to amount to over 150 percent of the 1950 expenditures.

3. The number of hospitals, polyclinics, and tuberculosis homes is to be increased from 2,336 in 1950 to 2,779 in 1955. The number of beds available will be raised to ten per 1,000 population, and in industrial areas to 11 per 1,000 population. The number of industrial polyclinic and health rooms will be increased from 2,188 (1950) to 4,341 (1955). There must be at least one polyclinic in every Kreis.

4. The capacity of sanitariums is to be increased from 18,000 (1950) to 21,000 (1955) persons. Vacation homes are to be increased to accommodate at least 60,000 persons.

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5. A number of day nurseries must be established during the 1951-1955 period and their capacity raised from 4,155 to 39,500 children. Counseling centers for mothers and children must be increased from 2,296 to 2,500; ambulance service must be improved, and mobile dental clinics and X-ray equipment must be added to existing facilities.

6. The state will allocate 500 million Deutsche marks for investments in health and social services for the urban and rural population during the five-year period. This will assure the reconstruction and the building of hospitals with 8,800 beds, homes to accommodate 1,900 tubercular persons, 500 rural clinics, 146 polyclinics and factory clinics, day nurseries for 35,345 children, secondary medical schools for 2,367 students, old-age homes for 18,885 people, and vacation homes for 23,000 persons. In the large industrial centers, ten prenatal clinics with 1,000 beds and six children's hospitals with polyclinics and with 1,200 beds must be built. The building of central institutions for cancer and tuberculosis research, and for research in the field of antibiotics and chemical therapeutics must be assured.

7. To provide qualified personnel for medical institutions, the number of public health doctors is to be increased from 6,934 to 13,000, and the number of auxiliary medical staff members from 43,000 to 66,000. The number of students in medical faculties of the universities is to be increased from 4,000 to 5,000 and the number in secondary medical schools from 6,500 to 8,000.

Supply of Raw Materials

1. The main sources of supply for fuels, metals, equipment, food, and industrial goods for the population must be domestic, and imports must be held to a minimum. It is especially important to take measures to cut to a minimum the use of those raw materials in short supply which must be imported.

2. The efforts of Land, city, and Kreis officials to carry out the Five-Year Plan successfully must be aided by everyone. Everyone must strive to find and utilize all local sources of raw materials and reserves.

3. Foreign trade must be concentrated on those countries which are immune to crises, e.g., the USSR, the people's democracies, and China. Foreign trade relations with these countries must be developed to assure a regular flow of goods from these countries to East Germany's industry and population. Exchange of goods with these countries is to be increased.

4. It is necessary to further trade with West Germany, which should be accomplished by extending the system of agreements and treaties with individual firms. In making foreign trade agreements, it is necessary to take into account the specific suggestions of West German firms.

5. The economic plan provides that the state must make available reserves of raw and other materials necessary to avoid economic difficulties.

6. The system of agreements between state and private enterprises and tradesmen must be enlarged and improved to insure supplies for private enterprises and tradesmen, and to aid them to sell their products according to a plan within the framework of the Five-Year Plan.

Finances

1. Expenditures for the development of the economy and for building up reserves of materials during the 1951-1955 period will amount to at least 27 billion Deutsche marks, and expenditures for social and cultural measures to at least 15 billion Deutsche marks. These expenditures must be financed from the state budget.

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2. The stability of the currency must be further strengthened by lifting rationing restrictions and by price decreases in mass-consumption goods and capital goods, while the currency circulation is to be speeded up by a quicker turnover of goods. The purchasing power of the East mark must be raised and its importance for the whole economy must become more stabilized. The East mark must be a means of controlling production plans and an incentive to the workers' productivity.

3. The importance of the budget plan in the economic reconstruction of East Germany must be increased, and its ties to the economy must become closer. Budget income must go up at a rate which will allow the timely financing of the Five-Year Plan, with income from people-owned sources increasing at a faster rate.

4. One of the most important objectives of the budget and financial policy is the creation of financial reserves by the state, based on the fulfillment of the budget plan and the retention of surplus income.

5. The budget plans for 1951-1955 must make available the reserves necessary to allow price decreases in food and industrial goods and a decrease in taxes.

6. The economic operation of people-owned enterprises must be stabilized. Profitability of people-owned industry, transportation, trade, and agriculture must be increased, and the surplus from people-owned sources must be the basis for the development of the economy and of democratic culture.

7. The banks, which belong to the people, must play a bigger role in carrying out production and sales plans. They must assure a normal credit and payments system to the economy and must increase their control over the financial and economic plans of people-owned enterprises by extending credits to them.

8. The most important objective of the credit system is to improve the service given to the population. The people's savings must be used to finance economic expansion and to raise the people's standard of living.

The Five-Year Plan assures an economic and cultural development heretofore unknown, the development of an economy without crises and unemployment, and an uninterrupted improvement in the people's standard of living. The Five-Year Plan will aid in stabilizing the unity of workers, farmers, and the intelligentsia, and their collaboration with the urban middle-class. The important development of the iron and steel, mining, and chemical industries, and the close collaboration with countries with a planned economy -- the USSR and the people's democracies -- assure the continuous expansion of our economy and protect it from any difficulties caused by crises in capitalist countries.

THE COAL INDUSTRY'S ROLE IN THE FIVE YEAR PLAN
/Source: Berlin, Taegliche Rundschau, 1st Aug 50/

Brown Coal

The Five-Year Plan assigns to the brown coal industry the objective of raising its output by 1955 to 205 million tons of raw brown coal, or 209 percent of the 1936 output. Briquette production is to reach 56 million tons in 1955, which is 234 percent of 1936 production. The 1950 output of raw brown coal will be 138 percent of 1936 output, and 1950 briquette production will be 150 percent of 1936 production.

During the period of the Five-Year Plan, the brown coal industry will need, in addition to small tools, electric locomotives, steam locomotives, and mining cars, 36 bucket dredgers, 67 paddle or shovel dredgers, 15 unloaders, and five

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bridge conveyers. To meet its planned briquette production, the industry will need 260 new briquette presses, in addition to other items of equipment including steam boiler and electrical equipment, large and small motors, and factory installations.

Until such time as the machine industry can supply these items, the coal industry must fulfill its quota by improved mining and better utilization of existing capacities.

Priorities in Brown Coal Mining

The following projects have been given priority to assure the fulfillment of the Five-Year Plan quota for the brown coal industry:

1. Greater mechanization of open-pit and underground mining, especially by introducing new working methods and better organization of work.
2. Speedier completion of briquette factories in the process of being enlarged or rebuilt, among them Jonny Scheer, Glueckauf, and Krumpa.
3. Speedier work on open-pit mines now being explored, including Goitsche, Schleenhain, Witznitz II, Glueckauf III, and Sedlitz.
4. Completion of large-scale equipment on which work has been started, rebuilding and installation of equipment in the open pit mines Ruppertsdorf, Schleenhain, Freiheit, Goitsche, and Jonny Scheer.
5. Reconstruction of the Franz Mehrig bridge conveyer by 1 March 1951 and of the Jonny Scheer bridge conveyer by 1 April 1951, which will result in increasing capacity by at least 50 percent.

Black Coal

The Five-Year Plan assigns to the black coal industry of East Germany (Zwickau area) the objective of raising its output to 4 million tons of black coal in 1955, which is 20 percent more than the 1950 output.

Priorities in Black Coal Mining

1. Continuation of mechanization by the use of additional steel conveyors and other mechanical mining equipment.
2. Increased supply of conveyer and mining equipment.
3. Improvement in the supply of compressed air by setting up additional compressors in the Rudolf Breitscheid, Martin Hoop IV, and Karl Marx shafts, among others.
4. Improvement of ventilation by setting up large ventilators in the Martin Hoop and Rudolf Breitscheid shafts.
5. Improvement in the power supply by enlarging the Zwickau-Oelsnitz bus bar and by setting up a turbogenerator in the Karl Marx shaft.
6. Completion of work in the Martin Hoop IV shaft installation, especially in regard to the washrooms and dressing rooms, which will result in shortening the descent route for the Martin Hoop III crew.

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In addition, it is necessary to set up a complete tipping installation in the Martin Hoop IV shaft, a new electric conveyer in the Karl Marx shaft and an underground tunnel between the Karl Marx I and Karl Marx II shafts.

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